



Health Services
LOS ANGELES COUNTY

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Interim Director

Robert G. Splawn, M.D.
Interim Chief Medical Officer

March 2, 2010

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D. 
Interim Director

SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN
SERVICES FOR INDIGENTS PROGRAM (PSIP)**

On February 16, 2010, your Board authorized the Interim Director of Health Services (DHS) to reduce the initial reimbursement rate for PSIP to 18% of the Official County Fee Schedule (OCFS) for Fiscal Year (FY) 2009-10 and offer revised emergency physician services agreements for FY 2009-10 to eligible non-County physicians providing emergency services at non-County emergency hospitals. In addition, your Board instructed DHS to rapidly pay the backlog of frozen claims; and to report progress weekly until the backlog is gone.

PSIP CLAIMS PROCESS AND CURRENT STATUS

As reported last week, in accordance with defined reimbursement procedures established and approved by your Board for the PSIP Program, physicians must complete annual enrollment and "Conditions of Participation Agreement" forms signifying acceptance of the program terms and conditions and establishing a contractual relationship between the County and the physician providing the services. These enrollment forms include the reimbursement rate, therefore, the enrollment packets are not sent out until the Board has approved a rate that will ensure funding is available for all projected claims based on a historical trending of claims.

Following Board approval of the FY 2009-10 reimbursement rate on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for July to November 2009 dates of service. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided from December 2009 to February 2010 are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. After the annual enrollment, submitted claims will be adjudicated and paid expeditiously. Based on historical experience, the physicians will complete the enrollment process and the first claims will be received in the next 30-60 days.

REVIEW OF THE PSIP CLAIM PROCESS

Today, the Department met with the Auditor Controller to provide background information on the PSIP program, including but not limited to, funding sources, statutory basis, claiming process, statistical trending and rate setting processes. On March 4, this subject has been placed on the agenda of the Hospital and Healthcare Delivery Commission for review and input.

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I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

JFS:CC
1002:005

c: Executive Office, Board of Supervisors
 County Counsel
 Chief Executive Office
 Auditor-Controller
 Emergency Medical Services Commission
 Hospitals and Health Care Delivery Commission